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## FISCAL IMPACT REPORT

ORIGINAL DATE 01/29/10

SPONSOR Tripp LAST UPDATED \_\_\_\_\_ HJM 31

SHORT TITLE Study Off-Highway Vehicle Use SB \_\_\_\_\_

ANALYST Woods

### APPROPRIATION (dollars in thousands)\*

Appropriation		Recurring or Non-Rec	Fund Affected
FY10	FY11		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands) \*

	FY10	FY11	FY12	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		\$130.0- \$150.0		\$130.0- \$150.0	Nonrecurring	Trail Safety Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

\* Fiscal impact data provided by the Department of Game and Fish.

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Department of Game and Fish (DGF)

### SUMMARY

#### Synopsis of Bill

This legislation requests the Department of Game and Fish to issue a Request for Proposal to obtain a valid economic study of Off-Highway Motor Vehicle economic benefits to tourism and rural communities. The study should be comparable to those performed by other states, identify communities best suited for Off-Highway Motor Vehicle tourism, and survey Off-Highway Motor Vehicle ownership and use in New Mexico.

### FISCAL IMPLICATIONS

DGF notes that, to perform a valid study of this magnitude, information garnered from one state university said it would have a cost of \$130-150,000. The figures offered are a rough estimate and could be quite different from the costs articulated in a Request for Proposal, as requested in this memorial. A study of this magnitude was not included in the budget request that provided the fiscal year 2010 operating budget, nor was one requested in the budget for fiscal year 2011.

## **SIGNIFICANT ISSUES**

DGF adds that some of this information requested in this memorial could be available from the U.S. Forest Service when it completes compilation of its Travel Management Plans for each National Forest. Those plans will provide current catalogs of trails open to Off-Highway Motor Vehicle use on public lands and may provide desired information.

## **PERFORMANCE IMPLICATIONS**

DGF notes that the authority for the Department to conduct the activities articulated in this memorial are questionable, as the requests outlined in this memorial are not contained within the statutory duties articulated for Off-Highway Vehicle program. The law also requires that at least fifty percent of the expenditures from the Trail Safety Fund be made for enforcement and education activities, and that no more than thirty percent can go to administrative costs. Funding such a study would be problematic from both a budgetary and a statutory compliance perspective, as the costs estimates range from 36-42% of the entire annual program budget. The Department has also been told by the public, the advisory board and the legislature that law enforcement and education are the highest priorities of the program. Funding a study as requested in this memorial would detract from the agencies ability to emphasize those priority areas.

## **ADMINISTRATIVE IMPLICATIONS**

DHGF states, “Adding another major assignment to the existing 2-person OHV staff will decrease the agency’s ability to address the priorities of law enforcement and education for riders under 18.”

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

DGF states, “The current Off-Highway Motor Vehicle Act directs the Department to conduct analysis of the impacts of OHV use on forest, rangeland and other natural resources.”

## **ALTERNATIVES**

DGF suggests that, if the desire is to mandate a study, this could be re-filed as a bill with an appropriation to fund the study contemplated in this memorial, and any amendments to the Act as deemed necessary to accommodate a study as outlined in the memorial. The Department does not have the ability to complete the actions desired in this memorial without funds to conduct the work.

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

DGF states, “The agency will continue to develop a management plan for enforcing the Off-Highway Motor Vehicle Act, including law enforcement and educational approaches.”

## **AMENDMENTS**

None suggested by respondent.